

AMENDED IN SENATE MAY 1, 2003

SENATE BILL

No. 1034

Introduced by Senator Murray

February 21, 2003

An act ~~relating to employment~~ to add Title 10 (commencing with Section 2500) to Part 4 of Division 3 of the Civil Code, relating to contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 1034, as amended, Murray. ~~Employment: royalties~~ Contracts: recording companies.

Existing law provides that certain persons have a fiduciary duty in the performance of specified obligations.

This bill would specify that the obligation of a recording company to accurately account for and to pay royalties earned under a recording artist contact is a fiduciary duty.

~~This bill would state the intent of the Legislature to enact legislation that creates a fiduciary duty for a producer of phonorecords to accurately report and pay royalties.~~

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 ~~SECTION 1. It is the intent of the Legislature to enact~~
- 2 ~~legislation that creates a fiduciary duty for a producer of~~
- 3 ~~phonorecords in which sounds are first fixed, as defined in Section~~
- 4 ~~101 of Title 17 of the United States Code, to accurately report and~~
- 5 ~~pay royalties.~~

1 *SECTION 1. Title 10 (commencing with Section 2500) is*
2 *added to Part 4 of Division 3 of the Civil Code, to read:*

3

4 *TITLE 10. RECORDING ARTIST CONTRACTS*

5

6 2500. *The obligation of a recording company to accurately*
7 *account for and to pay royalties earned under a recording artist*
8 *contract is a fiduciary duty.*

